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## Current State of Accounting and Reporting of Financial Results in Joint-Stock Companies

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**Abstract:** *When it is called a financial result, it is understood that during a certain reporting period of an enterprise, an association, a Joint Stock Company, etc., there is an increase (or decrease) of self-owned funds in the process of its entrepreneurial activity. In accounting, the result of such activity is determined by calculating and balancing all the benefits and losses of the reporting period. To take into account the benefits and losses, the account of the same name is used. This account is an asset – passive account, and the balance can be on its debit and credit side. The balance on the debit side represents the loss and the balance on the credit side represents the profit.*

**Keywords:** *association, JSC, accounting, finance, economy, indicators, profit, expense, income.*

In a market economy, each of its own production is interested in generating more income from commercial activities. But not only profit, but, as noted above, loss can also be a financial result of the economic activity of the enterprise. Such a situation can occur if the enterprise uses non-productive production methods or the manufactured product does not meet consumer demand.

The procedure for determining the financial results of enterprises is established by the law of the Republic of Uzbekistan "on accounting", the plan of accounting accounts of financial and economic activities of enterprises, the regulation on the composition of documents for the sale of products (works, services) and the procedure for the formation of financial results.

In accordance with the above documents, the financial results of the enterprise's activities are characterized by the following indicators.

- gross profit from the sale of products makes up the difference between net profit from sales and the cost of goods sold, and is calculated according to the following formula:

$$YAF = ST - SMT,$$

Where: YAF-gross profit ; ST-net profit from sales ; SMT – production cost of goods sold;

- profit from the main activity is determined by adding other income of the main activity to the turnover of expenses of the period with gross income from the sale of products, or by subtracting other losses of the main activity:

$$AFF = YAF - DX + BD - BZ,$$

Where: AFF-profit on the main activity; YAF-gross profit; dx-expenses for the period; BD-other income; bz-other losses;

- profit (or loss) on nationwide activity is the addition of income on the main activity and the subtraction of expenses:

$$UXF = AFF + MFD - MFX,$$

Where: UXF-profit on general economic activity; MFD-income on financial activity; MFX-expenses on financial activity;

- the profit before the payment of taxes is determined by adding extraordinary profit to the profit on nationwide activities and subtracting extraordinary losses:

$$STF = OXF + FF - FZ,$$

Where: STF-pre-tax profit; FF-emergency profit; FZ-emergency losses;

- the net profit of the year remaining at the disposal of the enterprise after the payment of taxes is determined as a result of the deduction of income (profit) tax from pre-tax profit and other taxes provided for by legislation, as well as payments:

$$SF = STF - FS - BST,$$

Where: SF-net profit; FS – profit tax; BST – other taxes and fees.

To calculate the net profit of the reporting period, the accountant must draw up closing transfers, in other words, this is called "reformulating (changing) the balance sheet." Despite the fact that for most enterprises of the Republic of Uzbekistan there is a quarter, and for small enterprises – a reporting period of the year, it is advisable to prepare closing transfers every month. This makes it possible to have operational information about the following important indicators: gross income, income and expenses, retained earnings, etc.

The account closure treatment consists of:

- closing income accounts;
- closing expense accounts;
- determination of the difference between income and expenses and write-off of profit or loss on account 8710 "retained earnings (unpaid loss) in the reporting period;
- reflect the calculation of dividends and the different use of retained earnings;
- write-off of retained earnings on accumulated profit (unpaid loss).

Retained earnings can be used in the formation of reserve capital. The formation of reserve capital can be carried out when provided for by the legislation or constituent documents of the Republic of Uzbekistan. Usually, it is organized in joint-stock companies with preferential shares, where dividends must be paid in the specified amount, regardless of whether the profit was received in the reporting year. The formation of reserve capital is reflected by the following transfer:

D-t 8710 "retained earnings"

K-t 8520 "reserve capital"

Retained earnings are used to pay dividends to the founders of the enterprise. Usually, after determining the amount of retained earnings at the end of the year, it is determined which part of this profit will be distributed among shareholders by paying dividends. The amount of dividends is approved or "announced" at the general meeting of shareholders or founders. On the day of publication of dividends, an account is made in accounting for them and the following transfer is issued:

D-t 8710 "retained earnings"

K-t 6610 "dividends on payment"

The payment of dividends is usually carried out between a certain period of time, which is given to register shareholders who own shares of a joint-stock company. After the date of registration, shareholders do not have the right to receive the declared dividends.

The payment of dividends is reflected by the following transfer:

D-t 6610 "dividends on payment"

K-t 5010" cash in national currency "or 5110"settlement account"

Shareholders of a Joint-Stock Company may decide to pay in the form of shares. This implies the release of shares in addition to shareholders, which, as a rule, leads to "capitalization" of retained earnings. In the case when the amount of shares additionally issued is 20% less than the amount of shares in circulation, this does not have a significant impact on the price of shares, therefore, capitalization is increased to Mal at the current market price of shares. In the event that this percentage is more than 20%, the account of shares issued in the form of dividends is carried out at face value.

The financial results of the enterprise should be recognized as the economic indicators that the enterprise achieved during the reporting period. In some literature, there are cases when a financial result is a so – called profit performance result. When financial results are studied, analyzed, determined, all economic indicators are given special importance, since the financial result cannot be represented by only one indicator.

The financial result is the end of the work of the enterprise, expressed in the amount of profit and the level of profitability

In the financial statements of the enterprise, financial results are determined and analyzed on the basis of Form 2 "report on financial results". Section 1 of the balance sheet liability of the balance sheet shows the profit distributed in the "sources of own funds".

According to the regulation on the composition of the costs of production and sale of products (Works, Services) approved by the Ministry of Finance of the Republic of Uzbekistan and the procedure for the formation of financial results, the following indicators of profit are distinguished.

Gross profit from the sale of mahsllot;

Profit from basic activities;

Benefits from Nationwide activities;

Profit before paying taxes;

Net profit.

Gross profit from the sale of products (YAF )divides the income of the enterprise from the sale of products and is determined by the following formula as the difference between the net profit from the sale of products and the cost of goods sold:

YAF=ST-MT

Or Form 2 on the "report on financial results"

070-line =050 – line-060-line.

Net income from product sales (ST) is the amount of net income after the release of Value Added Tax and excise tax from product sales. This indicator is the profit of the enterprise from the sale of products.

Cost of goods sold (MT) – the costs of the enterprise for the release of products, which include direct and indirect, material and labor costs for the purpose of production. Trade organizations also add to this the hard value of the goods sold.

Profit from the main activity (As. F. F.) describes the profit received from the main activities of the enterprise (at production enterprises – the release and sale of products, in trade – the sale of products, in construction – completed construction work, etc.).

This is the period costs from gross profit to determine profit (D.Har) and other expenses (B.deduction and other income from the main activity (B.dar) must be added according to the following formula.

As f.f. = YAF-Dxar + Bdar-Bxar

Or Form 2, line 110=lines 070-080-090-100.

Period costs are expenses that are not directly related to the production process. These include management costs, product sales, and other costs for the purpose of sustainability. In sales, the costs of the period include the output of the treat.

There are corresponding differences in determining financial results, drawing up accounts and reports based on the nature of the network. Such differentiation has a negative effect on the correct determination of financial results. In this regard, it is desirable that some expenses, including those related to insurance, be covered directly from net income.

When the state of financial results of the Joint-Stock Company" markhamat Paha clean " is studied, the following situation can be seen

It is known from the data of Table 1 that in 2011, compared to last year, the revenue from the sale of products increased by 9327 thousand rubles. The increase in the cost of selling products, in turn, also led to changes in the cost structure, period and administrative expenses were not made, but it was noted that the cost of the product increased dramatically in 2011.

**Table – 1. Financial results of «Yasrib» LLC according to the results of 2021**

Name of indicators	Line code	In the next period of previous year		Reporting period	
		Income (profit)	Expenses (loss)	Income (profit)	Expenses (loss)
1	2	3	4	5	6
Net proceeds from the sale of products (work and services)	010	27835	X	37162	X
Cost of goods sold (work and service)	020	X	24733	X	41384
Product (work and service) products	030	3062			4222
Gross sales profit (loss) (line 010-020).	040	X	7451	X	6883

Period costs total (line 050-060-070-080) including	050	X	-	X	632
Selling costs	060	X	6222	X	6251
Administrative expenses	070	X	1229	X	-
Other operas. costs	080	X		X	
Expenses for the reporting period, which in the future will be deducted from the taxable base	090	6609	X		X
Other incomes of the main activity	100	2220			11105
The benefits (harms) of the main activity (line. 030-040-090)	110	-	X	15593	X
The total of revenues of financial activity (line. 120+130+140+150+160) including	120	289	X	221	X
	130		X		X
Earnings in the form of dividends	140		X		X
Earnings in the form of interest	150		X		X
Income from long-term rent (leasing)	160	-	X	15372	X
Earnings from exchange rate difference	170	X		X	
Other income of financial activity	180	X		X	
Expenses on financial activities (line 180+190+200+210),	190	X		X	
Costs in the form of interest	200	X		X	
Costs in the form of interest on long-term rent (leasing )	210	X		X	
Losses from exchange rate difference	220	2509	-	15593	11134
Expenses other than financial activities	230	-	-		11134
The benefits (harms) of universal activity (row. 100+110+170)	240	2509		4459	
Emergency benefits and harms	250	X	2477	X	4459
Profit (loss) until the payment of income (profit) tax (line. 220+/-230)	260	X	-	X	-
Income (profit) tax	270	32	-	-	-

"Report on financial results" (Form 2) should be considered a form that represents indicators of its other forms in terms of content. In our opinion, indicators in Form 2 do not provide sufficient information for both analysis and product cost. Therefore, in this form, indicators should be included that represent the cost of production. In its current form, this form has become an informative form only for comparison. Based on this, it can be said that the calculation of the cost of the actual finished product with the cost of production in the plan should be indicated.

Secondly, the era of further simplification of Form 2 has come. When categorizing expenses in an LLC, the costs of a separate period are indicated separately – line 040, sales costs-line 050, and administrative expenses – line 060.

The main goal of economic reforms is to increase the attitude towards the human factor, to regulate material incentives. But today the economic side of interest between costs and material incentives is not revealed in our eyes.

To do this, the bulk of the result achieved on the basis of austerity should be focused on material interest.

The state of Organization of internal audit in enterprises and organizations does not meet today's demand. In the conclusion to be written about the results of the audit conducted in our opinion, special attention is paid to the state of Internal Audit Control, and the state of how it is organized is given by the auditor of the assessment of the activities of the enterprise and the organization.

To improve the state of financial results and increase its position in the management system by two indicators:

1. To accounting indicators.
2. Depends on the indicators of financial statements.

The activities of enterprises and organizations producing consumer goods of the people are currently unjustifiably subject to various payments and discounts, while not taking into account local commodity resources. In our opinion, enterprises that produced folk consumer goods from local raw materials should receive financially appropriate benefits.

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